



## **FEDERAL RESERVE SYSTEM**

### **Agency information collection activities: Announcement of Board Approval under Delegated Authority and Submission to OMB**

**AGENCY:** Board of Governors of the Federal Reserve System.

**SUMMARY:** The Board of Governors of the Federal Reserve System (Board) is adopting a proposal to extend for three years, with revision, the Interagency Notice of Change in Control (FR 2081a; OMB No. 7100-0134), Interagency Notice of Change in Director or Senior Executive Officer (FR 2081b; OMB No. 7100-0134), Interagency Biographical and Financial Report (FR 2081c; OMB 7100-0134), and the Interagency Bank Merger Act Application (FR 2070; OMB No. 7100-0171).

**FOR FURTHER INFORMATION CONTACT:** Federal Reserve Board Clearance Officer – Nuha Elmaghrabi – Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC, 20551, (202) 452-3829. Telecommunications Device for the Deaf (TDD) users may contact (202) 263-4869, Board of Governors of the Federal Reserve System, Washington, DC 20551.

OMB Desk Officer – Shagufta Ahmed – Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17<sup>th</sup> Street, NW, Washington, DC 20503 or by fax to (202) 395-6974.

**SUPPLEMENTARY INFORMATION:** On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board. The Federal Reserve may not conduct or sponsor, and the respondent is not required to respond to, an information

collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the Paperwork Reduction Act Submission, supporting statements and approved collection of information instrument(s) are placed into OMB's public docket files. These documents will also be made available on the Federal Reserve Board's public website at:

<http://www.federalreserve.gov/apps/reportforms/review.aspx> or may be requested from the agency clearance officer.

**Final approval under OMB delegated authority of the extension for three years, with revision, of the following reports:**

*Report title:* Interagency Notice of Change in Control.

*Agency form number:* FR 2081a.

*OMB control number:* 7100-0134.

*Frequency:* On occasion.

*Respondents:* An individual (or a group of individuals or company or group of companies that would not be bank holding companies (BHCs) or savings and loan holding companies (SLHCs) after consummation of the proposed transaction) seeking to acquire shares of an insured depository institution, SLHC, or BHC (or group of BHCs or SLHCs).

*Estimated number of respondents:* 156.

*Estimated average hours per response:* 30.5.

*Estimated annual burden hours:* 4,758.

*Report title:* Interagency Notice of Change in Director or Senior Executive Officer.

*Agency form number:* FR 2081b.

*OMB control number:* 7100-0134.

*Frequency:* On occasion.

*Respondents:* Insured depository institutions, SLHCs, BHCs, and individuals.

*Estimated number of respondents:* 287.

*Estimated average hours per response:* 2.

*Estimated annual burden hours:* 574.

*Report title:* Interagency Biographical and Financial Report.

*Agency form number:* FR 2081c.

*OMB control number:* 7100-0134.

*Frequency:* On occasion.

*Respondents:* Certain shareholders, directors, and executive officers of financial institutions.

*Estimated number of respondents:* 1,512.

*Estimated average hours per response:* 4.5.

*Estimated annual burden hours:* 6,804.

*Report title:* Interagency Bank Merger Act Application.

*Agency form number:* FR 2070.

*OMB control number:* 7100-0171.

*Frequency:* On occasion.

*Respondents:* State member banks.

*Estimated number of respondents:* Non-affiliate, 54; Affiliate, 10.

*Estimated average hours per response:* Non-affiliate, 31; Affiliate, 19.

*Estimated annual burden hours:* 1,864.

*General description of reports:* The Interagency Notice of Change in Control form is used by an individual (or a group of individuals or a company or group of companies that would not be BHCs or SLHCs after consummation of the proposed transaction) seeking to acquire shares of a state member bank, SLHC or a BHC (or group of BHCs or SLHCs). The notice is submitted to the Board. The notice includes a description of the proposed transaction, the purchase price and funding source, and the personal and financial information of the proposed acquirer(s) and any proposed new management.

The Interagency Notice of Change in Director or Senior Executive Officer form is used, under certain circumstances, by a state member bank, BHC, SLHC, or the affected individual to notify the Board of a proposed change in the institution's board of directors or senior executive officers. The notice must be filed only if the state member bank, SLHC, or BHC is not in compliance with all minimum capital requirements, is in troubled condition or, is otherwise required by the Board to provide such notice.

The Interagency Biographical and Financial Report is used by certain shareholders, directors, and executive officers, in connection with different types of applications filed with the agencies. Information requested on this reporting form is subject to verification and, as with all required information, must be complete.

The Interagency Bank Merger Act Application is an event-generated application and is completed by a state member bank each time the bank requests approval to effect a merger, consolidation, assumption of deposit liabilities, other combining transaction with a nonaffiliated party, or a corporate reorganization with an affiliated party. The form collects information on the basic legal and structural aspects of these transactions.

*Legal authorization and confidentiality:* Section 7(j) of the Federal Deposit Insurance Act (12 U.S.C. 1817(j)) authorizes the Board to require the information under the FR 2081a and FR 2081c. Section 914 of the Financial Institutions Reform, Recovery, and Enforcement Act (12 U.S.C. 1831(i)) authorizes the Board to collect the information in the FR 2081b and FR 2081c.

The notices and reporting forms are public documents. Any organization or individual that submits a form may request that all or a portion of the submitted information be kept confidential. In such cases, the filer must justify the exemption by demonstrating that disclosure would cause substantial competitive harm, result in an unwarranted invasion of personal privacy, or would otherwise qualify for an exemption under the Freedom of Information Act (5 U.S.C. 552). The confidentiality status of the information submitted is judged on a case-by-case basis.

Because information is being collected from individuals, the Board is required to make certain disclosures to the notificant under the Privacy Act (5 U.S.C. 552a(e)(3)). The disclosures made by the Federal Reserve on the FR 2081 meet the requirements of the Privacy Act.

The Bank Merger Act (BMA), 12 U.S.C. 1828(c), authorizes the Board to collect the information in the FR 2070. The BMA requires, in relevant part, that a state member

bank, when it is the acquiring, assuming or resulting bank, obtain prior approval from the Board before merging or consolidating with another insured depository institution, or before acquiring the assets of or assuming liability to deposits made in any other insured depository institution.

The Interagency Bank Merger Act Application is a public document. However, applicants may request that parts of their applications be kept confidential. In such cases, the filer must justify the exemption by demonstrating that disclosure would cause substantial competitive harm, would result in an unwarranted invasion of personal privacy, or would otherwise qualify for an exemption under the Freedom of Information Act (5 U.S.C. 552). The confidentiality status of the information submitted is judged on a case-by-case basis.

*Effective Date:* All revisions would become effective upon FDIC and OCC receiving OMB approval of their comparable reports.

*Current actions:* On October 2, 2017, the Board published a notice in the *Federal Register* (82 FR 45847) requesting public comment for 60 days on the extension, with revision, of the Interagency Notice of Change in Control (FR 2081a; OMB No. 7100-0134), Interagency Notice of Change in Director or Senior Executive Officer (FR 2081b; OMB No. 7100-0134), Interagency Biographical and Financial Report (FR 2081c; OMB 7100-0134), and the Interagency Bank Merger Act Application (FR 2070; OMB No. 7100-0171). The Board proposed to revise the FR 2070, 2081a, FR 2081b, and FR 2081c to improve the clarity of the information requests, delete information requests that are not typically useful for the analysis of the proposal, and increase transparency.

The draft final forms would include certain new information requests. These new requests relate to information that is customarily requested during the application review process but not reflected on the current forms. Requesting this information at the beginning of the review, through the forms, should increase the efficiency of the applications process and improve transparency. For example, the draft final FR 2070 would require a description of any contract deadlines and any filings with other state and federal regulators; the draft final FR 2081a would require a narrative description of the proposal and information regarding the expected timing of the proposal; the draft final FR 2081c would require a description of any liability that is contractually delinquent; and the draft final FR 2081a and FR 2081b would both require a description of whether the submission is being filed after-the-fact and whether any exemptions apply.

In addition, each of the draft final forms has been revised to remove information that is no longer relevant. For example, the draft final FR 2070 would no longer require a description of goodwill amortization and purchase discount accretion schedules because of accounting rule changes; the draft final FR 2081a would no longer require a description of current book value per share because that information can be calculated using other available information; and the draft final FR 2081c would remove the requirement to provide a fax number.

The comment period for this notice expired on December 1, 2017. The Board did not receive any comments. The revisions will be implemented as proposed.

**Consultation with the Federal Deposit Insurance Corporation (FDIC) and Office of the Comptroller of the Currency (OCC)**

Representatives from the Board worked together with representatives from the FDIC and OCC to draft revisions to the Interagency Notice of Change in Control, Interagency Notice of Change in Director or Senior Executive Officer, Interagency Biographical and Financial Report, Interagency Bank Merger Act because each of the agencies uses the forms for information collection. The agencies collaborated to determine whether the forms should be modified. They reviewed the forms in consideration of current law and applications processing procedures and practices.

Board of Governors of the Federal Reserve System, March 12, 2018.

**Ann E. Misback,**

*Secretary of the Board.*

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